

TEL: 231900
FAX: 235462
EMAIL: secret@statehouse.go.ug

IN ANY CORRESPONDENCE ON **PO/23**
THIS SUBJECT PLEASE QUOTE No.



THE REPUBLIC OF UGANDA

State House,
P.O. Box 25497,
Kampala,
Uganda.

31st March 2016

Rt. Hon. Dr. Ruhakana Rugunda
Prime Minister
KAMPALA.

IRREGULAR RECRUITMENT OF STAFF WITHOUT AUTHORIZATION

I have been informed that a number of Government Ministries, Agencies, Departments and Local Governments, undertake unplanned recruitment in the course of the Financial Year in total disregard of the budget approved by myself, Cabinet and appropriated by Parliament.

The practice has led to mismanagement of the Government payroll including persistent supplementary funding requests due to wage bill overruns which undermine the credibility of the Budget.

This practice, if not checked can easily lead to unsustainability of the wage bill as happened in the past leading to accumulation of salary arrears. I am told that good budgeting practice requires that the wage bill of a country should not exceed 30% of its revenue to ensure that it is sustainable. Good enough our wage bill is around that compared to URA revenue of US\$11,000bn. This is the reason I have been advising the Ugandan Political class to advocate for low wages in the short-term in order to free resources for infrastructure and increase production. Once our economy becomes strong, then we can consider increasing wages in the long-run.

Furthermore, I have received information that this year over Shs.100bn is being provided through supplementary expenditure to meet salaries arising out of unplanned recruitment. This money could have been used to provide infrastructure or wealth creation.

Even when I have authorized recruitment, for example, for security, this should be programmed properly to ensure that funds are available in the budget.

The purpose of this letter, therefore, is to direct you to follow-up and ensure that:

1. There is no recruitment of public officers in the course of the Financial Year when there are no funds approved by myself and Cabinet; and appropriated by Parliament;
2. Disciplinary action is brought against non-compliant Accounting Officers and Heads of Institutions; and
3. Any Accounting Officer who goes ahead and recruits staff without a corresponding wage provision is not re-appointed.

By copy of this letter, Permanent Secretaries, Chief Administrative Officers, Town Clerks; and Heads of Parastatals are directed to ensure that this practice stops henceforth.


Yoweri K. Museveni
P R E S I D E N T

Copy to: H.E the Vice President
Rt. Hon. 1st Deputy Prime Minister and Minister of
Public Service
All Hon. Ministers
Head of Public Service and Secretary to Cabinet
Chairpersons of Service Commissions and Appointing
Authorities
All Permanent Secretaries and Heads of Government
Parastatals
All Chief Administrative Officers and Town Clerks